

F R O S T & S U L L I V A N

# 2024 CUSTOMER VALUE LEADER

*IN THE NORTH  
AMERICAN HEALTHCARE  
CYBERSECURITY  
INDUSTRY*



F R O S T & S U L L I V A N

BEST  
2024 PRACTICES  
AWARD

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## Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Fortified Health Security excels in many of the criteria in the North America healthcare cybersecurity space.

RECOGNITION CRITERIA	
<i>Business Impact</i>	<i>Customer Impact</i>
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

### The Transformation of the Healthcare Cybersecurity Industry

Healthcare is one of the most frequently targeted sectors for cyberattacks worldwide, facing significant risks because of its complex infrastructure, which facilitates data exchange among hospitals, clinics, and

*“Two fundamental strengths underpin Fortified’s success: a cutting-edge service delivery platform (i.e., Central Command) and an innovative business model that operates in concert.”*

**- Riana Barnard**  
**Best Practices Research Analyst**

other providers, including both modern and legacy systems. In 2023, 89% of healthcare organizations experienced at least one cyberattack, primarily due to outdated infrastructure and insufficient network segmentation.<sup>1</sup> This lack of segmentation can lead to unauthorized access, allowing attackers to control various internal systems. Moreover, many hospitals still rely on legacy systems that are challenging to upgrade, making them prime targets for cyber threats. Technologies like radiological information systems and laboratory information systems are particularly

at risk. Additionally, Distributed Denial of Service attacks can overwhelm networks, interrupting medical care and restricting access to critical systems like electronic medical records.

<sup>1</sup> *Cybersecurity in Healthcare, United States, 2024* (Frost & Sullivan, December 2024)

The adoption of cloud technology in healthcare is also increasing, driven by the convenience of storing and accessing patient information. However, 69% of healthcare organizations have reported at least one cloud security compromise, negatively impacting patient care through longer hospital stays and complications.<sup>2</sup> Key risks include loss of control over data movement due to inadequate security practices by cloud providers, misconfigurations such as open access permissions and lack of encryption, and dependence on third-party vendors, which can compromise security if they fail to meet required standards.

Moreover, many Internet of Things and medical devices, such as vital signs monitors and infusion pumps, lack robust security protocols, making them vulnerable to remote access attacks. The diversity of devices and manufacturers complicates security, and the absence of standardized protocols makes it difficult to monitor all connected devices within a hospital network, ultimately affecting operational workflows and jeopardizing patient safety.

The healthcare sector incurs the highest average costs from data breaches. Factors contributing to this higher cost include stringent regulations like the Health Insurance Portability and Accountability Act and the California Consumer Privacy Act, costly lawsuits, and mandatory customer notifications. United States (US) companies also face greater expenses for post-breach remediation and cybersecurity improvements, along with losses from brand reputation damage and reduced consumer trust. The complexity of information technology environments and the high value of the data targeted by cybercriminals further increase these costs. As a result, the average data breach in the US still costs twice as much as the global average, driving the need for improved cybersecurity measures.<sup>3</sup>

Frost & Sullivan's independent research finds that managed security service providers (MSSPs) will play a crucial role in meeting the demand for healthcare cybersecurity, taking advantage of the burgeoning interest in solutions that can help healthcare organizations build resilience to ensure they deliver care effectively and sustainably.

### **Fortified Health Security: An Established Leader**

Founded in 2009, Fortified Health Security (Fortified) effectively leverages its technological expertise and healthcare industry knowledge to identify and bridge prevailing market gaps. Headquartered in Brentwood, Tennessee, the company provides its clients with the essential tools and insights required to address the healthcare sector's unique challenges. Fortified's diverse portfolio encompasses a wide array of advisory services and MSSP capabilities, including security information and event management monitoring, endpoint detection and response, vulnerability management, dark web surveillance, incident response, and round-the-clock security operations center (SOC) support. This comprehensive suite of services allows Fortified to tailor its solutions to each client's specific needs.

Two fundamental strengths underpin Fortified's success: a cutting-edge service delivery platform (i.e., Central Command) and an innovative, healthcare-only business model that operates in concert. With a laser-focused commitment to actionable and scalable strategies, Fortified is well-positioned to capitalize

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<sup>2</sup> *Cybersecurity in Healthcare, United States, 2024* (Frost & Sullivan, December 2024)

<sup>3</sup> *Ibid.*

on emerging growth opportunities and augment its influence within the healthcare cybersecurity landscape.

### Alignment Brings Efficiency

Fortified provides its services through Central Command, an advanced platform aimed at optimizing the management of healthcare cybersecurity programs. The platform uniquely integrates Fortified’s advisory services with its threat defense capabilities by consolidating identified threats and necessary actions into a single risk register. A unified dashboard allows clients to easily monitor their cyber risk management and threat defense from one central location, giving them a comprehensive and real-time view of their cybersecurity efforts in real-time. Consequently, it enables a small team to prioritize actions across the

*“Additionally, Fortified reported a net revenue retention rate of 147% in 2023, well above the industry average of 103%. Projections for 2024 indicate the company will maintain a retention rate of 123%. This data highlights a growing trend where clients are increasing their investments in Fortified, contributing to these exceptional business performance metrics.”*

**- Alejandra Parra**  
**Research Analyst: HealthCare and Life Sciences**

cybersecurity landscape, effectively concentrating on risk reduction even in resource-limited situations. While Fortified offers additional features that distinguish it from other platforms, this strategic differentiation is central to its value proposition.

Understanding that much of the communication between MSSPs and organizations relies heavily on email, a less efficient method for conveying essential information, Fortified introduced an innovative “Create Your Own Adventure” design with Central Command. The platform empowers clients to choose how they would like to engage with the cybersecurity services they have purchased. Clients can opt for

different methods of receiving notifications (e.g., short message service, mobile access, the Fortified application, or email), allowing for a tailored experience that meets the urgency of clients’ needs as well as individual preferences. As a result, Fortified has experienced numerous positive outcomes, such as improved work-life balance for clients and a noticeable increase in employee retention, which highlight the broader benefits of adopting a customized and efficient approach to managing security services.

Looking ahead, the company envisions that all client interactions will eventually occur through its Central Command platform. While not all services are currently available, they are an important part of Fortified’s development journey and roadmap. To this end, the company expects to make significant progress on this strategy, with plans to integrate additional services into the platform by 2025.

### A Customer-centric Approach Delivering Unmatched Client Experiences

Every health system or hospital in the US is at a different stage in its cybersecurity journey. Some have invested significant resources in specific areas, while others have taken a more varied approach. Understanding each client’s current cybersecurity initiatives is essential for effective support. The traditional MSSP model typically focuses on identifying cybersecurity threats and offering recommendations to large teams of experts, usually consisting of 50 to 80 professionals. While this approach works well for organizations with substantial resources, most healthcare systems in the US are

multi-billion-dollar operations that often only have small cybersecurity teams, usually ranging from six to 15 people. Only a few larger organizations boast teams of around 150 experts.

Frost & Sullivan commends Fortified for its ability to empower organizations with smaller cybersecurity teams to manage their cybersecurity efforts effectively. Many advisory services in the industry tend to follow a commodity-based model, especially when conducting National Institute of Standards and Technology-based assessments, resulting in organizations often producing similar outcomes. However, Fortified takes a different approach. With its Central Command platform, it carries out the same assessments and generates comparable corrective action plans. Unlike most companies that conduct assessments, provide reports, and then disengage, Fortified believes that effective risk management requires high-touch engagement and a client-specific process. Therefore, its dedicated team remains actively involved with clients, assisting them in prioritizing and implementing actionable improvements based on the recommendations.

Typically, Fortified begins by assessing an organization's cybersecurity posture, identifying vulnerabilities, and evaluating current protocols to ensure compliance with regulatory requirements. Based on this analysis, experts collaborate with the organization to tailor a customized cybersecurity strategy that integrates technology solutions, policy development, and employee training. Fortified then implements the appropriate solutions, ensuring seamless integration with existing infrastructure, which may include installing security software, configuring firewalls, and establishing encryption protocols. Throughout the service term, the team provides ongoing support, updates, and training, allowing clients to manage their programs via the Central Command platform to enhance resilience against evolving threats. Recognizing the changing threat landscape, Fortified frequently calibrates its approach and conducts periodic audits to ensure that cybersecurity measures adhere to regulatory requirements and best practices, maintaining a robust defense.

Notably, Fortified has structured its operational leadership team to consist solely of individuals with extensive experience in healthcare systems. In particular, the Chief of Operations and the advisory leaders have firsthand knowledge of the challenges that clients face while all team members possess in-depth cybersecurity expertise. This approach benefits clients significantly: it enhances their resilience, which is the company's primary goal, and better prepares them for potential challenges, such as data breaches. For instance, in a case where the Office for Civil Rights (OCR) inquires whether clients have conducted an assessment, the answer is affirmative. When they ask about the progress clients have made, Fortified can demonstrate tangible advancements, achieving a 100% success rate in defending against OCR fines.

Frost & Sullivan commends the company for working diligently with clients to bridge security leadership and talent gaps, helping them implement improvements for a more secure future.

### **Proven Customer Journey Support Leads to More Customers**

As Fortified grows, it recognizes the need to upskill and educate existing and potential clients, creating more opportunities for collaboration. Each healthcare system is at a unique stage in its risk management journey, making it crucial to understand the fundamentals to mitigate significant risks before pursuing more costly initiatives that may not yield results. For this reason, Fortified engages in regular thought



leadership opportunities (e.g., publishing bi-annual Horizon Reports) to build a peer-to-peer ecosystem for sharing information.

The company also hosts a monthly Roundtable for its clients, which proves to be highly beneficial. In 2023, 114 different individuals participated in these sessions, with an average of 62 attendees each month.<sup>4</sup> During these meetings, a knowledge expert briefs attendees on the current threat landscape, regulatory changes, and recent developments, followed by a discussion where participants share ideas on addressing challenges within their environments.

The forum focuses on the exchange of ideas rather than promoting Fortified's capabilities, an aspect the company values. Its teams also engage in trade shows and focus groups to attract new clients. These practices demonstrate the value of Fortified's products and services. Furthermore, the company leverages channel partnerships (which generate approximately 28% of its business) to expand its reach and influence in the market.

Fortified's visionary leadership, collaborative approach, and close relationships position it as a partner of choice.

### Superior Operational Efficiency Delivers Benefits

Frost & Sullivan recognizes that many contributing factors make a company successful; having a customer-centric strategy is critical. Yet, having and successfully implementing a strategy is not the same. Thus, it is important to have aligned leadership and staff to implement and operationalize a strategy cohesively.

Fortified fosters a culture that enables individuals to advance their careers while exploring new areas within cybersecurity. For example, a member of the technical team involved in penetration testing may seek to learn more about vulnerability threats and transition to the vulnerability team. Similarly, those aspiring to become SOC analysts might join the threat team to engage in threat hunting. Notably, Fortified individualizes career paths to suit each employee's interests and goals.

The company also emphasizes the importance of maintaining a healthy work-life balance. Understanding its significance in today's workplace, Fortified proactively supports its team members in achieving professional growth while ensuring they have time for their personal lives. In addition, Fortified aids employees in obtaining certifications and pursuing career development opportunities. In 2023, both the Threat Defense and MSSP teams, as well as the SOC, reported zero turnover—a remarkable feat, especially given the industry average of 38%. The average churn rate for MSSPs is typically around 15%. In contrast, Fortified has achieved an impressive five-year average churn rate of only 5%, significantly outperforming the industry standard.<sup>5</sup>

Additionally, Fortified reported a net revenue retention rate of 147% in 2023, well above the industry average of 103%. Projections for 2024 indicate the company will maintain a retention rate of 123%.<sup>6</sup> This data highlights a growing trend where clients are increasing their investments in Fortified, contributing to these exceptional business performance metrics. Moreover, the company enhances this positive

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<sup>4</sup> Frost & Sullivan interview with Fortified Health Security (13 November 2024)

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

trajectory through its commitment to competitive compensation, opportunities for internal promotions, and high-quality professional development programs that benefit all stakeholders involved.

Frost & Sullivan notes that high employee turnover can disrupt client relationships and lead to client dissatisfaction. From this perspective, Fortified's unique business model and low turnover rate are key factors for success, enabling the company to build deeper and more meaningful relationships with its clients. To this end, Frost & Sullivan believes the company is well-positioned to drive the healthcare cybersecurity space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

## Conclusion

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Customer and industry-centric strategies help companies safeguard leading positions in markets, but only if the approach is authentic and the implementation is seamless. Fortified Health Security (Fortified) incorporates client-focused strategies and exemplifies best practice implementation. The company's advanced service delivery platform, Control Command, optimizes healthcare cybersecurity management by merging advisory services and threat defense to provide a single risk register and a unified dashboard for real-time monitoring of risks and actions. Furthermore, Fortified's strategy, characterized by personalized engagement and tailored processes, helps clients implement actionable improvements that specifically address their unique needs. Moreover, the company fosters a healthy work-life balance and proactively supports its team members in achieving professional growth. Competitive compensation, opportunities for internal promotions, and high-quality professional development programs contribute to an impressive five-year average employee churn rate of only 5%, which positively impacts client relationships and retention. As a result, Fortified reported impressive business performance metrics in 2023 (e.g., a net revenue retention rate of 147%). In addition, the company aims to upskill and educate clients to encourage collaboration. Its knowledge experts engage regularly in thought leadership initiatives that create a peer-to-peer ecosystem for sharing information between employees and clients. This overall customer-first approach offers immense value to existing and new customers and solidifies Fortified's reputation in the market.

With its strong overall performance, Fortified Health Security earns Frost & Sullivan's 2024 North American Customer Value Leadership of the Year Award in the healthcare cybersecurity industry.



## What You Need to Know about the Customer Value Leadership Recognition

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Frost & Sullivan's Customer Value Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

### Best Practices Recognition Analysis

For the Customer Value Leadership Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

#### Business Impact

**Financial Performance:** Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

**Customer Acquisition:** Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

**Operational Efficiency:** Company staff performs assigned tasks productively, quickly, and to a high-quality standard

**Growth Potential:** Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

**Human Capital:** Leveraging innovative technology characterizes the company culture, which enhances employee morale and retention

#### Customer Impact

**Price/Performance Value:** Products or services offer the best ROI and superior value compared to similar market offerings

**Customer Purchase Experience:** Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

**Customer Ownership Excellence:** Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

**Customer Service Experience:** Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

**Brand Equity:** Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

## Best Practices Recognition Analytics Methodology

### Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company’s long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

STEP		VALUE IMPACT	
		WHAT	WHY
1	<b>Opportunity Universe</b>	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	<b>Transformational Model</b>	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	<b>Ecosystem</b>	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	<b>Growth Generator</b>	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	<b>Growth Opportunities</b>	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	<b>Frost Radar</b>	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	<b>Best Practices</b>	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	<b>Companies to Action</b>	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

\*Board of Directors, Investors, Customers, Employees, Partners

## About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

## The Growth Pipeline Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

[Learn more.](#)

### Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



## The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

### Analytical Perspectives:

- **Megatrend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

